

____.B. NO.____

A BILL FOR AN ACT

RELATING TO THE SPECIAL FUND FOR DISABILITY BENEFITS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that there is a need to
2 upgrade the computer systems and software utilized by the
3 disability compensation division of the department of labor and
4 industrial relations to enhance the efficiency of processing
5 workers' compensation claims and to ensure that injured
6 employees will receive their compensation on a timely basis.

7 The purpose of this Act is to provide a dual purpose to the
8 special fund for disability benefits to allow for excess funds
9 to be used in the aforementioned upgrading designed to benefit
10 the state and Hawaii's employers. This Act appropriates funds
11 for the purchase and installation of computers and software for
12 the disability compensation division of the department of labor
13 and industrial relations.

14 SECTION 2. Section 392-61, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "~~+~~§392-61~~+~~ **Establishment of special fund for**
17 **disability benefits.** There is established in the treasury of

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1 the State, separate and apart from all public moneys or funds of
2 the State, a special fund for disability benefits and equipment
3 expenditures to improve the disability compensation division's
4 administration of benefits which shall be administered by the
5 director exclusively for the purposes of this chapter. All
6 contributions pursuant to this part shall be paid into the fund
7 and all benefits payable under this part shall be paid from the
8 fund. The fund shall consist of (1) all contributions collected
9 pursuant to this part, together with any interest thereon; (2)
10 all fines and penalties for the fund pursuant to this chapter;
11 (3) all moneys collected by way of subrogation; (4) interest
12 earned on any moneys in the fund; (5) any property or securities
13 acquired through the use of moneys belonging to the fund; (6)
14 all earnings of such property and securities; and (7) all other
15 moneys received for the fund from any source."

16 SECTION 3. There is appropriated out of the special fund
17 for disability benefits the sum of \$2,500,000 or so much thereof
18 as may be necessary for fiscal years 2005-2006, and the same
19 sum, or so much therefore as may be necessary for fiscal year
20 2006-2007, to facilitate the processing of workers' compensation
21 claims in the State; provided that the sum shall be used for the

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1 purchase, installation, programming and maintenance of computers
2 and software for the disability compensation division.

3 The sums appropriated shall be expended by the department
4 of labor and industrial relations for the purposes of this Act.

5 SECTION 4. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 5. This Act shall take effect on July 1, 2005.

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9 INTRODUCED BY: _____

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BY REQUEST

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